

CIACO

NID 81

March 05, 1981

SITUATION REPORTS

POLAND

The meeting yesterday in Moscow between top Soviet and Polish leaders underscores the USSR's continuing acute concern over the situation in Poland, despite the current domestic calm.

Contrary to the "identity of views" that characterized the last publicized bilateral Soviet-Polish summit on 30 October, the two sides reached only a "common approach to the problems discussed."

The USSR pledged to continue giving Poland the "necessary support" to overcome its troubles and expressed confidence in the ability of the Polish party to accomplish this task--a point that President Brezhnev chose to omit from his 23 February speech. Soviet dissatisfaction with the performance of the Polish leadership was evident, however, in Moscow's opposition to a continuation of the status quo. Yesterday's communique stated that Poland "was and will be" a reliable link in the socialist community, in contrast to the statement following the Warsaw Pact summit on 5 December that Poland "is" such a partner.

The clearest sign of Moscow's concern was the communique's repeat of the Brezhnev Doctrine--that the defense of socialism is a matter not only of each socialist state but of "the entire socialist community." Although Polish First Secretary Kania referred to this concept in his speech to the Soviet party congress last week, no Soviet leader has raised it publicly with regard to the Polish crisis, and this was the first time it was cited in a Soviet-Polish document.

The meeting does not represent a Soviet vote of no confidence in the Polish leadership or a final warning to get Poland's house in order. It does, however, indicate that the Soviets have not let up and may even be increasing their pressure on Warsaw to stop the liberalization process.

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Approved for Release
Date AUG 1999

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Possible Disputes

The political calm that has prevailed in Poland for several weeks may be disturbed by looming disputes involving workers and students. the Lodz chapter of Solidarity has declared a "strike alert" after allegedly failing to get the government leadership in Warsaw to intervene with local officials over the firing of five union activists.

Solidarity's national headquarters apparently has approved this action, but there has been no official regime comment. This issue probably will not touch off a major incident.

The resolution of differences between the government and some students, however, may be more difficult. there is general dissatisfaction among students with the agreement signed in Lodz in mid-February that ended the student strikes.

A national conference of the new student organization passed several resolutions last weekend in which students demanded that a new government commission be established by next Monday to renegotiate the agreement. The students also demanded the resignation of the government negotiator, the Minister of Science and Higher Education, by 13 March for acting in bad faith. The students evidently threatened strikes and other protest actions if their demands are not met.

The new student organization may try to gain additional support for its demands during student demonstrations set for 30 universities on Sunday. The demonstrations will commemorate the police violence against student demonstrators in 1968.

Meeting With Bankers

Poland will present requests for refinancing its debt to representatives from about 70 banks meeting in London today. The first meeting for this purpose, held in Vienna on 23 January, included nine banks. The Poles

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probably will ask the banks for relief on most or all of the more than \$5 billion in principal and interest payments due this year on unguaranteed debt. [REDACTED]

Polish officials may exaggerate the progress on debt rescheduling made during discussions last week in Paris with Western governments. The banks are likely to continue their cautious approach and to refuse to make major commitments at this meeting. [REDACTED]